A G E N D A

CITY OF SEASIDE
C-JOBS
COMMISSION ON JOBS, OPPORTUNITIES AND BUSINESSES IN SEASIDE

REGULAR MEETING
VIRTUAL ONLY
Monday, February 14, 2022
3:00 PM

MASKS ARE REQUIRED FOR IN PERSON PARTICIPATION REGARDLESS OF VACCINATION STATUS

Pursuant to California Government Code section 54953(e)(1)(A) and (C) and the Seaside City Council's resolution authorizing virtual participation in public meetings given the COVID-19 pandemic; meetings of the Seaside City Council and its Boards, Commissions and Committees are being conducted with a hybrid format providing both in person and virtual (electronic) participation in order to promote social distancing and protect the health and safety of attendees.

PUBLIC COMMENTS: To make a public comment, the following options are available:

- Before the Meeting via Email: Written comments can be emailed to CityClerk@ci.seaside.ca.us Include the following subject line: "Public Comment Item #" (insert the agenda item number relevant to your comment). Written comments are due at least two (2) hours prior to the start of the scheduled meeting time. All submitted comments are provided to the Commission for consideration.

- During the meeting via Public Comment: When the Chair calls for public comment, attendees can queue to speak with the "Raise Hand" feature. On the Zoom application, click the "Raise Hand" button. On the phone, press *9. The Clerk will call speaker names and unmute speaker microphones. You will have up to 3 minutes to provide your comments, with time set by the discretion of the Chair.

VIRTUAL MEETING ACCESS
This meeting can be watched via the City of Seaside You Tube channel
https://www.youtube.com/c/CityofSeasideCalifornia
Or by joining the Zoom webinar link: https://us02web.zoom.us/j/89883468025
Or call in phone number: 669-900-9128
Zoom Webinar ID: 898 8346 8025

1. CALL TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT

Members of the public wishing to address the Commission on matters within the jurisdiction of the City of Seaside, but not on this agenda, may do so during the Public Comment period for up to three (3) minutes. Comments on specific agenda items are

heard under that item. For the public record, please state your name.

4. COMMITTEE MEMBER INTRODUCTIONS

5. ELECTION OF OFFICERS

A. NOMINATATION AND ELECTION OF CHAIR AND VICE CHAIR FOR A ONE-YEAR TERM

RECOMMENDATION: Hold an election of Chair and Vice Chair in accordance to the directions in the City's Boards, Commissions and Committees Handbook adopted by the City Council.

6. APPROVAL OF MINUTES

7. BUSINESS ITEMS

A. STRATEGIC PLAN RETREAT (CONTINUED)

RECOMMENDATION: CJOBS is in the midst of developing a commission work plan that will guide and prioritize action steps for the year. The CJOBS Strategic Plan Retreat for 2022 is intended to provide a valuable foundation of ideas from which commissioners can build their work plan. Led by Patsy Tinsley McGill of Strategy Steward, CJOBS held the first part of the retreat virtually on January 10, 2022, and is now continuing the retreat topics on February 14. The January 10 meeting recording may be accessed on the City's YouTube Channel: https://www.youtube.com/watch?v=dvEj1cxS3Ow&t=10171s..

The Agenda for tonight's continued strategic planning retreat is as follows:

1. Introduction and Review of Strategic Priorities – 10 minutes
2. Finalization of Work Plan - 45 minutes
3. Next Steps - 5 minutes

Staff has attached the same staff report from the previous strategic retreat along with some additional content: Attached is the .pdf slide deck of the January 10 C-JOBS Strategic Planning Retreat, which includes the content covered and the outcomes of the SWOT and Strategic Priorities brainstorming activities. We will be aligning our work from January 10 with the '5-Year Economic Development Strategy Possible Areas of Focus' and with the Possible Key Projects from that document as we develop the work plan for this year.

8. REPORTS FROM COMMITTEE MEMBERS

9. REPORTS FROM STAFF

10. ADJOURNMENT

Next Regularly Scheduled Meeting:
March 14, 2022
4:00 PM

The City of Seaside is committed to providing accessible facilities and accommodating people with disabilities in all of its services programs and activities. If special considerations are needed by any person to fully participate in this meeting, contact the City Clerk at 899-6707 no fewer than two business days prior to the meeting to allow reasonable arrangements. Agendas are posted at: http://www.ci.seaside.ca.us/129/City-Council-Committee-Agendas

Agenda-related writings or documents provided during public meetings are available for public inspection during the meeting or from the office of the City Clerk. This agenda is posted in compliance with California Governor Newsom's Executive Orders N-29-20 and N-33-20.

CITY OF SEASIDE
STAFF REPORT

Item No.:5.A.

TO: C-JOBS

BY: Trevin Barber, Assistant City Manager

DATE: February 14, 2022

SUBJECT: **NOMINATATION AND ELECTION OF CHAIR AND VICE CHAIR FOR A ONE-YEAR TERM**

PURPOSE

Hold an election of Chair and Vice Chair in accordance to the directions in the City's Boards, Commissions and Committees Handbook adopted by the City Council.

BACKGROUND

Pursuant to the City's Boards, Commissions and Committees Handbook, C-JOBS must elect a Chair. The Chair and Vice Chair shall serve a one-year term with the option of reappointment for one additional year.

The Committee Chair or, if there is no Chair, the person who called the meeting to order, will ask for nominations for the office of Chair. Any member of the Committee may nominate himself/herself or any other member of the Committee; no second is required. Once nominations are complete, the Chair will close nominations, announce the slate of nominees, and ask for a vote on the nominees in the order of nomination.

Each voting member of the Committee shall have one vote. The nominee receiving votes from a majority of the members in attendance shall be declared the winner. If no member receives a majority, the process shall be repeated, except in the event of a tie between the top two vote-getters, in which case a run-off shall be held. The winner shall assume the office of Chair immediately.

Using the same procedure, the new Chair shall secure the election of a Vice Chair.

Officer roles are described below:

Chair: The Chair is responsible to preside at meetings, establish the agenda with input from Council, staff and other Committee members, call special meetings, sign Committee documents, and report to City Council as needed. The Chair is responsible for the timely filing of minutes with the City Clerk.

Vice-Chair: The Vice-Chair assumes the Chair's duties in their absence. The Vice-Chair shall succeed the Chair if they vacate office before the term is completed and shall serve the unexpired term. A new Vice-Chair shall be elected at the next regular meeting.

FISCAL IMPACT

None

ATTACHMENTS

CITY OF SEASIDE
STAFF REPORT

Item No.: 7.A.

TO: C-JOBS

BY: Trevin Barber, Assistant City Manager

DATE: February 14, 2022

SUBJECT: **STRATEGIC PLAN RETREAT (CONTINUED)**

PURPOSE & RECOMMENDATION

CJOBS is in the midst of developing a commission work plan that will guide and prioritize action steps for the year. The CJOBS Strategic Plan Retreat for 2022 is intended to provide a valuable foundation of ideas from which commissioners can build their work plan. Led by Patsy Tinsley McGill of Strategy Steward, CJOBS held the first part of the retreat virtually on January 10, 2022, and is now continuing the retreat topics on February 14. The January 10 meeting recording may be accessed on the City's YouTube Channel: https://www.youtube.com/watch?v=dvEj1cxS3Ow&t=10171s..

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BACKGROUND

CJOBS Accomplishments from July 2021 to December 2021

CJOBS has a lot to be congratulated on for work in 2021.

- Continued to leverage regional partnerships to acquire federal grant funds for creating economic ecosystems by supporting MBEP efforts for the Uplift Central Coast: Space and Aeronautics Build Back Better Regional Challenge
- Reviewed and supported the implementation of the City's new Business Retention and Expansion CRM, HubSpot
- Attracted HelloDesk and facilitated the implementation of a Seaside HelloDesk test run which resulted in the assistance of approximately 11 entrepreneurs in creating jobs and opportunities in Seaside—HelloDesk is now looking for a permanent location in Seaside. Seaside is also considering using ARPA funding to support their investment in Seaside
- Reviewed the EDA's notice of funding available and hosted a special community engagement meeting to discuss grant proposals and create a priority matrix of grant options for the City to pursue
- Participated in the North Fremont/Seaside quarterly Chamber of Commerce business walk and engaged with a multitude of businesses
- Provided preliminary guidance on developing a Commission Draft Workplan
- Provided guidance on the development and eventually adopted and recommended for Council approval the Administrative Policies and Procedures for FLIP Seaside, which has already exceeded expectations with over $300,000 of projects in the works. FLIP Seaside is ARPA funded.
- Re-engaged the Cal Coastal Small Business Development Center (SBDC) to provide valuable consulting services to small and minority owned businesses in Seaside

Seaside Development Projects
The City is also hard at work at bringing several new developments online.

- Campus Town is being developed by KB Homes and the Bakewell Company. The project area is a +/-122.23 net acre large infill project to replace a portion of the former Fort Ord Army Base near the freeway interchange at Lightfighter Avenue and Highway 1. The Campus Town Development is expected to create 751 new jobs at full build out, this is a transformative opportunity for Seaside. Further, the economic impact will help families avoid long commutes and allow them to spend more time with their families, creating a stronger and more equitable community for everyone. KB and the Bakewell Co. will be ready to construct Phase 1 of Campus Town spring 2022. Currently, the City is gearing up for building removal and demolition, a requirement of closing on the first Phase. The goal for completion of abatement and demolition for the first Phase is mid-March. We are nearing completion of the fiscal impact analysis which will inform the rate and method of apportionment component of the Community Facilities District study. We anticipate completion by year end. If adopted, the CFD will set the stage for proper fiscal planning and the long-term provision of community services. The City has also been working cooperatively with MCWD to annex the specific plan area into MCWD service territory. At this point we are finalizing the draft application and have already submitted plans to MCWD and the City for review and approval.
- The Golf Course: This project is actually three projects in one. We have: 1) The Enclave by Shea Homes, 2) the time-share condominiums by Homes by Towne, and 3) the Golf Course Resort, all of which encompass a development of about 80 acres.The Golf Course Resort project is purposed to construct a 200-330 room luxury Hotel on +/- 17.8 acres. On Sept 2 the City Council received a presentation from the City Attorney and new development team and approved a restructured purchase agreement to be more lender friendly. As we have heard from other developers, the financial industry is under a lot of pressure right now,

meaning loan requirements are more strict. The restructuring enabled them to proceed with their construction loan. And we have seen that the property has sold to the new owners, and they are rapidly preparing for development. Further, at this time the City has approved a lot line adjustment which will enable proper access to the hotel site. McClure Way runs through the time-share parcel, and so that is being adjusted. The time-share component is representative of 132 units. Homes by Town was awarded the bid by the developer and they plan to submit plans within 90 days. Homes by Towne is a 72 year old real estate company with lots of experience building in California. The Enclave has also submitted plans for development of phase two of the luxury homes and shows no sign of slowing down.

- Seaside Senior Living, located at Monterey Road and Coe Avenue, west of Monterey Road. Sold to Seaside Senior Living, LLC, (Rick de la Cruz) by the City of Seaside, the project will construct 144 senior living units and is representative of a $45-$50M investment. Like most projects, COVID had this project on hold. The developer was waiting on PGE and a reconnection of the sewer lines on the Army's side of Monterey, however they had to wait for guidance on standard operating procedures and personal protective equipment because the trench space required more than one person to be in it at a time to finish construction. Fortunately, the construction is now finished and the developer can proceed. The City met with the developer this past month and received a request to modify the approved building plans. MCWD has also confirmed that the infrastructure improvements were built according to plan and are acceptable. Similar to other developments in the City, they are anticipating construction to start in April, weather permitting
- Ascent is located at the corner of Broadway Avenue and Terrace Street, in the middle of Seaside, there is a vast and nearly empty lot that will be transformed as the Ascent project is officially underway. The project will build a ten building workforce rental housing development consisting of 106 one bedroom, two bedroom, three bedroom units and townhouses along Olympia Ave, with 16 of those being affordable units. The building along Terrace St. and Broadway Ave. is also proposing 4,000 square feet of retail space, a shared vehicular court and green space areas for residents. This development will accelerate the City's improvements for the Downtown district and realize the City priorities of growing upward, increasing our affordable housing supply and becoming more transit and pedestrian-friendly. Between City and private developer allocations, there is enough water for the 2.85 acre project that will remove blight, provide infill development and much needed housing in the opportunity zone along Fremont Avenue and upper Broadway. Ascent is the first new multi-family housing project to be built in Seaside in over 20 years, and will include a significant amount of affordable housing. Under Monterey County's shelter in place order construction is considered essential if it will provide affordable housing. The Seaside City Council approved the project in November of 2019. In 2020 The project was sold to a private developer, Cruachan Capital. Cruachan Capital is a Salt Lake City real estate developer that owns over 6,000 apartments across the western United States. Cruachan Capital has received an approved grading permit. While they had anticipated breaking ground in November/December, they are delayed a bit and plan to start soon. The current plan is to use phases, prioritizing the 4,000 SF of retail first. They are simultaneously also submitting for their building permits. They still aim to have the first building done by March/April of 2023 and finish the rest by end of 2023. There is a lot of moving parts for this project and staff are keeping close attention to the approvals and the proper utilization of the water allocation.
- Nurse's Barracks is located at Parker Flats Cut-Off Rd., south of Gigling Road. This project will rehabilitate 40 apartments in existing steel frame buildings. Council approved a water allocation last November, 2020 and sold the property to Glover Enterprises in mid-December 2020. The Applicant has submitted plans and we are working together on with a consultant to prepare a LAFCO application for annexation of the proposed water and sanitary sewer

system into MCWD. We expect everything to finalize by mid-next year, after which we would expect building plans to be considered.

- Seaside East: The Seaside East opportunity site is approximately 700 acres of undeveloped, coastal upland that is bounded by Seaside's border to the south, General Jim Moore Boulevard to the west, Eucalyptus Road and the planned Veteran's Cemetery to the north and Habitat Management area under the Bureau of Land Management to the east. Seaside East is 16% of the City's land and it was given to the City to be developed to strengthen the economic health of the community in the wake of Fort Ord closing. The City of Seaside is currently engaged in a months long community visioning exercise for these lands, which is necessary for preparing the best plans for the site. The City of Seaside is responsible for creating a General Plan which sets the stage for the orderly development of the City. City's typically update their General plan in 20 year blocks of time, General Plan 2020, General Plan 2040 etc. Seaside was in the process of drafting the General Plan for 2040 when the City received the land from the Army for Seaside East. Given the magnitude of the property, it made sense to the leadership of the City to make sure there was an avenue to hear everyone's point of view and receive technical advice before determining what potentially could be built on the site. But when we are talking about large properties like this, we realize not everyone has access to an architect or civil engineer in their back pocket or on speed dial. So the question faced by leadership was how do we equip ourselves with visual data points to understand the diversity of possibilities, and constraints, present on this site. Realizing a picture is worth 1,000 words. That is the purpose of hiring DPZ. DPZ is providing us some amazing ideas and helping us visualize the City's hopes and dreams in the way of a planned out, complete urban design. Pulled from the best practices from the around the world. And they have done an incredible job listening and synthesizing everything into some very creative, feasible plans. We should take full advantage of their deep wealth of hands on experience in designing cities so that we can have the best possible outcomes with Seaside East. DPZ will return to Council in the first quarter of the year to deliver a final report.

Economic Snapshot and Financial Trends

Economy. Seaside is part of a greater sub-regional market that comprises a broader demand base. Monterey County's employment base of 154,600 is highly concentrated in Other Services, Agriculture, Retail Trade, Educational Services, and Health Care and Social Assistance sectors. Together Monterey Peninsula cities currently have 48,512 employees, comprising approximately 30 percent of the County's total employment base. The Peninsula contributes more than its proportional share to several of the County's largest employment sectors: Other Services, 40.4%; Educational Services, 34%; Health Care and Social Assistance, 30.1%. Employment projections estimate Monterey Peninsula cities employment growth to closely mirror the County's at 1.4 percent increase per year between 2000 and 2020.

The Pandemic that Never Ends. (By Mark Schniepp-California Forecast)

The global economic recovery remains tethered to the pandemic. And another wave is coming. We are seeing it in Europe, notably Germany and Austria. In Austria, a vaccine mandate and a national lockdown have now been imposed. In Germany, daily cases are now more than twice as high as they have ever been during the course of the entire pandemic.

Now officials are worried that waning protection from the vaccines, combined with Americans spending more time indoors amid colder weather, will also send the United States into a fourth wave of spiking cases. Cases are already rising again, and we now face the onset of the new and unknown Omicron variant from South Africa. It has emerged in Europe and it is likely to

become the dominant variant in the U.S. soon. However, much will depend on its speed of transmission, virulence, associated rates of hospitalization and death, and the effectiveness of vaccines and antiviral medications against it.

Public health officials including Anthony Fauci are calling for an immediate expansion of booster shots, as well as mandatory vaccine programs for children. California already became the first state to announce vaccine requirements for children in K-12 schools.

Parents that object to this are a threat to leave the labor force, while other reticent potential workers may remain out of the labor force until vaccines are mandated for all. In either case, the negative effect on a labor force that we need now is extended.

Former Fort Ord Military Base. Fort Ord has been a significant presence in Monterey County since 1917. Serving as a training and staging facility for infantry, it maintained a large military population of 14,000 service members and 17,000 family members. The base also employed 3,800 civilian employees. Because of its proximity, Seaside has always had close economic ties to Fort Ord as the Base created a demand for residential, retail and local services. In 1992 the United States Army closed the Fort Ord Base. With the Base closure Seaside faces new opportunities and challenges including encouraging the development and redevelopment of the former Base lands that are part of North Seaside, and creating new housing, jobs and revenue generating opportunities in the undeveloped Seaside East.

The small businesses in the City of Seaside have also been challenged in the past with overcoming the largest military base closure at the time—irrevocably changing the economy and market conditions in which they once thrived. The community as a whole has strived, and in many was succeeded, in reinventing itself from a military bedroom community to a college and tourist focused community. But this change didn't happen overnight and it still comes with its own unique challenges. Further, Seaside hosts a traditionally underserved population with a minority-majority demographic, and as such, local small businesses were already struggling when the COVID-19 pandemic began. However, being one of the larger cities on the Monterey Peninsula and having experience pivoting during difficult economic situations, the City of Seaside and its small business community is poised to rebound during the economic recovery.

Sales Tax.
Seaside's receipts from April through June were 26.9% above the second sales period in 2020. Excluding reporting adjustments, receipts for the period were up 32.5%. This period's outcome reflects both a surge in consumer spending by local residents driven by the relaxing of Covid restrictions and the impact that fewer restrictions had on the surge in tourism into the area. New vehicle sales rose 55%, building on the increases of the prior 3 quarters. Meanwhile, consumption and prices both increased at gas stations. Restaurants reported their first positive quarter in over a year and general consumer good outlets recovered from a 34% drop in sales during the same time last year. Construction spending surged as lumber prices hit an all-time high in May. Measures R and L benefited from all of the above and the fact that new vehicle registrations in the City increased by 67% while used car registrations were up 46%. Net of adjustments, taxable sales for all of Monterey County grew 36.2% over the comparable time period while those of the entire Central Coast region were up 35.3%.

The local one cent sales and use tax from sales occurring April through June, was 37% higher than the same quarter one year ago after factoring for accounting anomalies and back payments from previous quarters. The 2nd quarter of 2020 was the most adversely impacted sales tax period

related to the Covid-19 pandemic and ShelterIn-Place directive issued by Governor Newsom. The 2Q21 comparison quarter of 2Q20 was the lowest since 2Q14 due to indoor dining restrictions at most restaurants; non-essential brick and mortar store closures; and employee remote/work from home options which significantly reduced commuting traffic and fuel sales. Therefore, similar to the 1st quarter 2020 comparison, dramatic percentage gains for 2Q21 were anticipated and materialized.

Up to this point through California's recovery, we've seen some regions experience stronger gains than others. However, with the latest data and the depths of declines in the comparison period, statewide most regions saw very similar growth. Within the results, prolonged gains by the auto-transportation and buildingconstruction industries generated higher receipts. Although the explosion of sales by new and used car dealers has come as welcome relief, the latest news of inventories being stretched thin due to the micro processing chip issues earlier in the year may result in a headwind into 2022. Conversely for the building-construction group, as housing prices in many markets increased over the last year, sustained available homeowner and investor equity is in place for the foreseeable future. Receipts from general consumer goods marked a steady and expected come back, led by family apparel, jewelry and home furnishing stores. When combined with solid greater economic trends, this is a welcome sign for many companies as a lead up to the normal holiday shopping period later this calendar year.

As consumers flock back into retail locations and with AB 147 fully implemented, growth from the county use tax pools - largely enhanced by out-of-state online sales activity - returned to more traditional gains of 9%. These results also included the reallocation of tax dollars previously distributed through the countywide pools to specific local jurisdictions that operate in-state fulfillment centers. Thus, the business and industry category, where fulfillment centers, medicalbiotech vendors and garden-agricultural supplies are shown, jumped 26%. In June, many restaurants reopened indoor dining. Given consumer desires to eat out and beautiful spring weather, all categories experienced a strong, much-needed rebound. However, labor shortages and a rise in menu prices continue to be a concern. Looking ahead, sustained sales tax growth is still anticipated through the end of the 2021 calendar year. Inflationary effects are showing up in the cost of many taxable products. Pent up demand for travel and experiences, the return of commuters with more costly fuel, and labor shortages having upward pressure on prices may begin to consume more disposable income and tighten growth by the start of 2022.

Understanding the Suburban Experiment. Following World War II, the United States started down a path of great social and economic suburbanization. While this change created tremendous growth, opportunity, and prosperity for a generation that had just lived through economic depression and war, the way cities and regions were being built – that is, spread out across the landscape – would ultimately prove extremely expensive to sustain. These costs are far greater than the relative wealth the approach generated in the short term. Faced with mounting costs and no new sources of revenue, cities decided to finance their futures by taking on debt. In the second cycle of suburbanization, cities facilitated new growth by borrowing staggering sums of money, both in the public and private sectors. By the time the United States crossed into the third life cycle and flamed out in the foreclosure crisis, cities' financing mechanisms had, out of necessity, become exotic and even predatory. This is by far Seaside's greatest challenge (availability of water aside)—funding the reconstruction of existing, older infrastructure; consider for example the roads, sidewalks, sewer water lines, etc in Del Monte Heights and older developments. This is exacerbated by the recent and sudden economic freeze caused by the COVID-19 global pandemic.

The Growth Development Structural Deficit. Property owners, of course, pay taxes that help fund the infrastructure and services needed for their properties. However, most residential and some

commercial developments fail to generate enough revenue to cover the associated costs for these services. Cities across the United States – including Seaside – have liability costs that are rising faster than their revenues. Seaside's general fund has always relied on primarily two sources of revenue: property tax and sales tax/transaction tax. These two sources make up 51% of the general fund. The primary challenge in relying too heavily on these sources is that they are tied to economic performance, as opposed to fee-for-service payments such as utilities. While revenues rise and fall with the overall economy, the vast majority of municipal costs – from maintaining infrastructure and providing basic services to debt service and pensions – remain fixed. Electric cars and changing consumer habits also threaten the efficacy of a sales tax dependent system. Whether it is online consumerism or smart cars, the economy is evolving and has the potential to expose Seaside to financial risk. It is crystal clear that action must be taken to ensure that this unsustainable model does not continue.

The Great American Shuffle. Nationwide, areas adjacent to urban centers saw more people moving in than moving out, compared to pre-pandemic levels, this trend was especially true in coastal areas like Seaside. Major metro areas like the dense San Francisco Bay Area tells a more dramatic story. The regions around San Francisco and San Jose, two of the country's most expensive housing markets, saw the rates of permanent moves increase the most, by more than 23% and 17% respectively.
Bottom-line: residents are moving out of the Bay Area and into City's like Seaside. Decoupled from their company office desk, households can more readily vote with their feet and move to a destination that is more agreeable to their preferred lifestyle; and a large proportion of these consumers are coming to cities like Seaside. More infill and redevelopment projects like Ascent can use this migratory momentum to rebalance the city's development portfolio to be a little bit more compact, and more financially sustainable.

Development Priorities. The City must establish a development pattern that fosters economic strength, resiliency, and sustainability. Land use decisions should be evaluated by the true fiscal impact, taking into account not only the traditional metrics of sales tax generation and job creation, but also the true costs associated with the development. These go far beyond streets and street maintenance, encompassing law enforcement, code enforcement, infrastructure and maintenance, parks and programs, and other intangible qualities that ultimately influence and determine the value of a property and the surrounding neighborhood. Newer developments, and redevelopment should follow these priorities: Infill is greater than peripheral development, property tax potential is greater than sales tax potential, downtown commercial is greater than big box and strip malls, and incremental is greater than large-scale, monolithic development.

- Infill > Peripheral: For decades, developers have been permitted (and even incentivized) to develop on the periphery—or wherever land is least expensive. Infill projects should be prioritized and incentivized above peripheral developments; this will increase tax revenue with minimal increases in service costs.
- Property Tax Potential > Sales Tax Potential: As outlined previously, sales tax is a highly unstable revenue stream. While property taxes will fluctuate with property values, they will continue to be paid, regardless of economic circumstances and changes in tenancy
- Downtown > Big Box/Strip Centers: Most consumers would agree that a stroll through a pedestrian-friendly downtown area is greatly preferable to walking through a sea of parking spaces to the entrance of a large retail store, dodging cars along the way. But the dollar value of the downtown atmosphere is nothing short of remarkable. A recent study by Urban3 demonstrated that downtown property value per acre can be 2.4 times higher than the rest of the city. Even in terms of sales tax, downtowns may far outpaces all other retail centers on a per-acre basis. Clearly, a downtown's style of development is the most

productive use of Seaside's land.

- Incremental Development ≥ Large-Scale Development: With buildings dating as early as 1800s, the downtown area has grown with the city, developing as it was needed, utilizing every nook and cranny of the property for productive building space. Each of the substantially lower-performing commerce centers in the City, however, were developed in a much shorter period of time. They have far more parking than is truly needed, using just 25% of their properties for building space, on average. Encouraging incremental development to better use these sites, has the potential to vastly improve Seaside's property tax revenues over the long term.

WHAT IS ECONOMNIC DEVELOPMENT?

Broadly, economic development is a concerted effort on the part of the responsible governing body in a city or county to influence the direction of private sector investment toward opportunities that can lead to sustained economic growth.

According to the California Association of Local Economic Development (CALED) most of California's cities have a full program of economic development services. Each year in the United States local governments collectively spend $100B on incentives to attract, retain, and expand private industry. Most of the growth in local economic development spending has occurred from the 90's through today. In that time, California communities have realized that local government plays an essential role in local economic development.

A past survey of counties conducted by the California State Association of Counties (CSAC) found that 71 percent of the 33 counties responding to the survey have an economic development program in the county and 82 percent of those responding have adopted an economic development strategy or have one in progress. This high degree of emphasis indicates that counties are viewing economic development in the same light as cities as a means of improving their fiscal condition.

Expansion in economic development activity is not without good reason. Generally economic development provides added value to a community by getting economic growth going and there are many specific benefits. Additional revenue provided by economic development projects supports, maintains, and improves local infrastructure, such as roads, parks, libraries, and emergency medical services. Economic development provides better wages, benefits, and opportunities for local citizens to advance their career and/or escape unemployment or underemployment. When businesses feel appreciated by the community they, in turn, are more likely to reject poaching by other city's business recruitment efforts, which keeps them local and contributing to Seaside's local economy. Further, a diversified economic base helps expand the local economy and reduces a community's vulnerability to a single business sector.

The fact that there are more economic development programs is very important for the City of Seaside to consider because it reveals that there is an ever increasing level of competition to recruit businesses. It also means that businesses and developers are going to continue to expect a higher level of customer service from Seaside year after year. For example, a developer might expect a streamlined application process from intake to entitlement with a dedicated project manager from Seaside, because they are receiving that service from another city like Ventura or San Luis Obispo. This setting should inform how staff and leadership consider and evaluate different potential economic development incentives, staffing and programing.

In a broad way, economic development can take on a variety of forms and mean something different to each person. In order to build alignment and set the tone and tenor of economic

development in the City of Seaside, staff has prepared the following seven administrative guiding principles based on professional judgment and community feedback over 2021. These thematic principles will guide staff recommendations in terms of the values that community leaders, staff, and regional partners will follow in carrying out future economic development activities in the city.

1. **Focus on Revenue Enhancing Economic Development**. Prioritize attracting, retaining, and growing businesses and developments that have high tax revenue potential, such as transient occupancy tax, point-of-sale or business-to-business sales centers, and high volume retail. Maximize the potential of limited real estate to the highest and best use.
2. **Evaluate Return on Investment and Community Benefit**. Ensure any incentives offered create a win-win scenario for the prospect, the citizens, and the City of Seaside. Consider how businesses fit with City and community land-use goals as opposed to just the size of the business. Always measure results.
3. **Recognize Incentives are Catalysts**. But for economic development incentives, many projects just don't 'pencil.' Attracting businesses requires flexibility; there is no 'one-size fits all' when it comes to incentive packages.
4. **Promote a 'Can Do' Mindset for Economic Development**. Instill a positive attitude and sense of civic pride in Seaside staff. Economic Development is everyone's job. Empower Seaside staff to say 'yes' first, 'we are open for business.' Provide first-rate customer service in all interactions with the City.
5. **Use Data for Insight and Expand Accessibility**. Enable the City to make better, timelier, decisions based on real-time data. Use data to evaluate services and to adapt, prioritize, and proactively address issues. Automate services and make information accessible to residents and businesses outside of the traditional workday.
6. **Be Visionary**. Anticipate the integration of cutting-edge and future technologies, both within City services and in the community as a whole. Maximize the use of smart infrastructure through partnerships that expand technology and create value for residents. Enhance and streamline the workflow process for internal and external stakeholders through the use of technology.
7. **Sustainability is Viability**. Generate value from within the core. Do not rely on 'greenfield' development to sustain the city's financial well-being, but cultivate the urban core to harvest value from within, utilizing existing infrastructure and resources in key corridors such as West Broadway.

These are the administrative guiding principles that will help staff create a framework from which to approach development and specific programs. However, specific economic development programs and incentives can take a variety of forms such as tax sharing, building infrastructure, or workforce training and development—the sky is the limit. Jurisdictions use these incentives to pursue economic goals such as tax base diversification, job creation, housing stock creation, or business retention and expansion. And there may be something that we can learn from the programs that have applicability for the City of Seaside. It is staff's hope that providing examples of previous economic development programs will spark an idea for CJOBS commissioners that they can use in discussions during the retreat.
Here are some of the most common policies, programs, and incentives other cities offer to attract, retain, and expand businesses, in no particular order:

Permitting Assistance:
Permitting assistance can take many forms. One approach is to create a streamlined permit process by establishing a One-Stop Business Service Center (one-stop). A one-stop is a facility where business persons can go to obtain the licenses and permits needed to start-up, operate, and expand their facilities. These centers improve the local business environment while reducing the number of

separate agencies and offices a business must apply to for various licenses and permits, saving public and private time and financial resources. For example a machine shop wants to hire ten new employees for a new paint booth in their existing facility. A typical permitting process would include visiting both the City of Seaside and the Air Quality Management District. A one-stop would include an MOU with the two agencies that allows a simple permit, such as a paint booth, to be processed or at least accepted by the staff at the one-stop.

City's also have the ability to either waive, reduce, or defer the cost of a permit and/or impact fees. A City may want to encourage construction in general or a specific industry within the city or a particular district in the city. A fee deferral program lowers the barrier to entry by deferring the time for payment of certain fees. Fees could be delayed until the certificate of occupancy is issued or a year after occupancy. Either way, the incentive adds value to the firm by assisting with cash flow and offers flexibility. For example, perhaps there's a specific brownfield site that requires some environmental mitigation before it can be developed. In this instance, the City would offer a fee deferral or reduction to help assuage the cost of necessary environmental mitigation costs, allowing the site to develop with a cost structure similar to that of a greenfield development.

Tax Abatement:
Tax abatements are the exemption or reduction of local taxes of a project for a specific period of time. Contracts between a government entity and a holder of real estate that stipulate that some share of assessed value will not be taxed for an agreed time period; a typical goal of tax abatement is to encourage economic development. Sometimes these are called tax sharing agreements, which may be included as part of a disposition and development agreement or license agreement. Typical deal points for this type of agreement would include the business hiring a certain number of employees, investing a certain number of capital dollars, and producing a certain level of sales or transient occupancy tax revenue within a certain time frame and in exchange the City provides a rebate on the tax revenue. For example, for the first ten years of operation if XYZ Hotel produces $500,000 in TOT per year, increasing at least 3% year, and meets all the other metrics as conditioned the City will return 50% of the TOT on a quarterly basis. If the firm misses the metrics, the City would have the option to terminate the incentive. There are various different legal mechanisms to facilitate this type of transaction, the most common being a lease-lease back of parking in which case the rate the City is paying for the parking lot is tethered to 50% of total TOT production.

The most prudent application of this type of incentive is for heavy industry, lodging, or regional commercial businesses that would have a difficult time leaving after the term of the agreement due to the massive amount of capital invested. Machine shops and heavy industry also have rigorous state and federal permitting that has to be conducted for each device or equipment in operation; and this has to be done again if they move, so relocating can be a very expensive endeavor. Subsidizing their expansion out of one community to Seaside would be the ideal scenario because in exchange for a limited term incentive the City could reap a sustained benefit for a long period of time. Lodging based businesses like hotels or regional shopping malls are good partners too, because they are tethered to the economic activity of the region and are likely to have a long term view on the return on investment; in this way their interests are aligned with the City's.

In contrast, an office or sales center operation, like a call center, is not the most ideal application of this type of incentive. Call centers are infinitely portable because there is office space for lease with cheap internet in almost any city in the US, or even the world. In fact, many call centers are decentralizing by offering employees telecommuting options. Regardless, as soon as the terms of the incentive are over, it is very lucrative for the firm to shop for new incentives from other communities. Therefore, it is prudent for a city to analyze each and every economic development

opportunity on its own merits.

Capital Improvement:
Impact fees are required to cover costs of improving and/or building infrastructure needed as a result of the expected impact of development project on those facilities. These are often required by localities for the approval of development projects. Cities can waive mitigation measures or install infrastructure to induce the development. For example, a developer wants to build hotel on a vacant corner of busy intersection. The estimated traffic impact created by the hotel warrants the installation of four-way traffic light. The development of the light is too expensive for the hotel to absorb in their financing. Instead, the City develops the traffic light with general fund or other impact fee funds. Now that the traffic light is installed the traffic impact has been mitigated and the vicinity can be developed at a reduced cost to the developer. The City added value by lowering the barrier to entry and reducing the payback period for the investor and/or developer. This strategy is also called making sites 'shovel-ready' or creating 'certified sites.'

Land banking takes it one step further. This is a strategy where the city preserves vacant land for future industrial or commercial space. A city or local development authority acquires and holds land until a developer steps forward with a proposal for its use as an industrial site. Let's revisit the hotel example, what if a dollar store franchise wanted to develop the same parcel. Or multiple parcels were owned by various un-cooperating parties. For the city, a hotel drives much better revenue to a city budget then a dollar store, and/or vacant land. Hotels are also more aesthetically attractive and perhaps happen to fit into the hypothetical city's economic element of the general plan. The City would purchase and hold on to the vacant corner parcels and prepare them for development. Activities could include development of on and off-site infrastructure improvements, administrative subdivisions, or parcel configuration, anything to make them perfectly suited for the target industry. In this scenario the City is the developer and has greater control on the future use of the parcel. This strategy allows a city to pursue the highest and best use for a parcel even when the market is driving 'bottom-feeders' to the area. Assembling a site may also provide value to a future developer who would not have had the risk tolerance to wait for a hold-out property owner, time is money for the development community.

Local governments also have the authority to alter development standards. This type of inducement could take the form of reduced parking or setback requirements, allowing the firm to more fully utilize the existing acreage on a lot. The typical footprint of a building is about two-thirds of the lot that it sits on because there has to be room for parking, landscaping, public right-of-way, utilities, and if the site is large enough, internal driveways or drainage basins. Some of these requirements are state or county mandated like utility easements, public health/environmental, etc but others are locally driven like the size of a road needed for a fire engine to turn around. By looking at ways to reduce the total size of a site needed for a project, a city can help firms reduce the real estate costs. Fitting just as much economic production into a smaller site also allows other firms to utilize the excess land that would have been otherwise consumed by a single firm, which in turn adds fuel to the economic engine of a community and increase land value per acre.

Cash Assistance:
Sometimes economic development programs are just general incentives with very little program structure. Some cities offer cash grants in what's called a 'dollars for jobs incentive program.' In this type of program a city would analyze what it typically spends on economic development, perhaps there was a road they built to prepare a site for development. The road cost $1M and the company that moved-in created 100 jobs. In this scenario the City paid $10,000 per job. The city then considers offering any firm that moves to the city, or expands in the city, a one-time grant of $8,000 per newly created full-time job, thereby lowering the cost per job that the city has to pay. The city

might put a small cap on the funds allocated to the program to create a sense of urgency in a first-come first-served setting.
In the same vein cities might offer grants to reduce water use, remove graffiti, or improve aesthetics. A typical program of this nature includes façade improvement grants or loans, of which Seaside is well familiar.

Economic Development Fund:
As governments battle to retain and attract jobs, businesses, and investment in an increasingly competitive environment, funds of discretionary cash for targeted tax credits have become popular incentive tools to attract highly-sought-after corporate relocation and expansion projects.
Also known as deal closing funds, these are targeted toward businesses that can demonstrate additional funding is needed to close a competitive cost gap relative to other states or localities that are also vying for the same economic development project. In most cases, these funds range from several hundred thousand dollars to $10 million, with the intended goal of awarding enough money to "close a deal." Funds could be used for offsetting capital infrastructure or hiring temporary staff to streamline the development review process.

While economic development funds offered throughout the country share many similarities, the level of funding, approval process, government oversight, eligibility requirements, payout schedule and presence of recapture or clawback provisions will vary by state and city. The One North Carolina Fund and Florida Quick Action Closing Fund — two of the nation's largest and most established deal closing fund programs — require local governments to provide matching funds for potential projects. In some instances, local governments and regional economic development agencies will partner with deal closing fund recipients to make infrastructure and other site-specific improvements that will facilitate corporate relocation and expansion.

Public Private Partnerships (P3)
Public-private partnerships between a government agency and private-sector company can be used to finance, build and operate projects, such as public transportation networks, parks and convention centers. Financing a project through a public-private partnership can allow a project to be completed sooner or make it ‘pencil, where it otherwise would not.

Financing comes partly from the private sector but requires payments from the public sector and/or users over the project's lifetime. The private partner participates in designing, completing, implementing and funding the project, while the public partner focuses on defining and monitoring compliance with the objectives. The public sector also provides incentives for the private sector to deliver projects on time and within budget. Risks are distributed between the public and private partners according to the ability of each. It is important to note that the city would be an active participant in assuming risk.

The private partner faces availability risk if it cannot provide the service promised. For example, the company may not meet safety or other relevant quality standards when running a prison, hospital, or school. Demand risk occurs when there are fewer users than expected for the service or infrastructure, such as toll roads, bridges, or tunnels. If the public partner agreed to pay a minimum fee no matter the demand, that partner bears the risk.

Public-private partnerships are typically found in transportation infrastructure such as highways, airports, railroads, bridges, and tunnels. Municipal and environmental infrastructure includes water and wastewater facilities. Public service accommodations include school buildings, prisons, student dormitories, and entertainment or sports facilities.

Regional Collaboration:
When it comes to economic development, it truly is a team sport and a regional exercise as there are many different actors in local, county, and state government as well as non-profits, utilities, and commercial business that are each seeking the overall betterment of a community. Consider if a large employee were to locate in Marina or even Salinas, there's a good chance that some those employees live here in Seaside or shop at the Seaside Auto Mall. Even still, that they will be patients at local medical offices; unbeknownst to many medical groups have been to known to be a strong economic development player because of the potential to bring more employers into their network. Here are a few of the organizations that directly conduct economic development activities in Seaside and are a part of the economic development ecosystem.

Job Centers
Workforce Investment Boards (WIB) are administered by the County to direct State and Federal funding to improve the state of workforce development, training, and recruitment. Seaside's local Comprehensive On-Stop Career Center is administered by the County's Workforce Development Board. The On-Stop Center acts as a matchmaker, helping prospective employees find jobs and employers find qualified employees. Improving job circulation helps reduce the number of unemployed in a community and helps businesses maintain productivity. The California Community College and Cal State University systems work with Workforce Investment Boards to better understand what classes and programs need to be offered. A proactive college is a cornerstone to job training and workforce investment. In addition to general workforce coordination activities, Cities can partner with WIB's to secure funding for local colleges to create customized and tailored training programs for specific businesses. For example, if a tech company like Apple or Tesla was looking for an office for workers to assemble a new widget, a college could develop a 'widget assembly' certificate program to provide a guarantee that the local workforce would have the skills needed to serve at the pleasure of the tech company. This would have to be spearheaded by the City or EDC.

Utilities
Utilities like PG&E recognize that energy plays a role in the cost of doing business and offers discount programs tailored to reducing those costs. Utilities can lower the cost of their product for a certain time period like the first year of operation, in doing so they help the business get established and contribute to the sustainability of the business. Community Choice Aggregators also have the ability offer an incentive by adding an economic development rate or tariff that reduces the cost of electricity in order to help a community or area attract more businesses.

Small Business Development Centers
Small Business Development Centers (SBDCs) provide assistance to small businesses and aspiring entrepreneurs throughout the United States and its territories. SBDCs help entrepreneurs realize the dream of business ownership and help existing businesses remain competitive in a complex, ever-changing global marketplace. SBDCs are hosted by leading universities and state economic development agencies, and funded in part through a partnership with the Small Business Administration SBA.
SBDC advisors provide aspiring and current small business owners a variety of free business consulting and low-cost training services including: business plan development, manufacturing assistance, financial packaging and lending assistance, exporting and importing support, disaster recovery assistance, procurement and contracting aid, market research help, program support, and even healthcare insurance enrollment guidance. The City of Seaside is located in the region of the Cal Coastal SBDC.

Incubators

A business incubator is a company that helps new and startup companies to develop within the first few years of operation by providing services such as management training or shared office space. The Brookings institute estimates there are over 170 incubator and accelerator programs in the United States. Although it is very common in the Silicon Valley for private firms to operate business incubators, the U.S. Economic Development Administration does provide assistance to local governments interested in sponsoring or developing a local small business incubator. Cities and Economic Development Corporations can utilize this funding to create incubator programs that fit their community. For instance, an incubator that focuses on agricultural technology might include on-site or on-call patent application assistance available to incubator tenants for free or at a reduced charge, via a retired businessman or patent attorney. The goal is to provide office space that offers a sustained competitive advantage to the fledgling businesses that but for the incubator would not be available. Incubators can be owned and funded by a city but managed under contract by a third party. This type of economic development is classified as economic gardening; it focuses on growing strong businesses from within.

Special Assessment Districts:
Parking or Tourism Improvement Districts are areas designated by a taxing authority to be assessed for tax purposes on a scale that differs from the rest of the taxed jurisdiction. Property in these districts may be taxed differently all together. They may be required to pay special taxes more reflective of the greater benefit earned by some public expenditure in the district. Additional tax proceeds are passed-through to a governing board that use those funds for joint marketing or maintain shared services like parking, property management, or security. Typically a City will partner with a non-profit corporation to administer the proceeds and coordinate the development and betterment of the district.

Certified Development Centers/SBA 504 loan program:
When small business owners decide to buy, build, or renovate commercial real estate, they are putting down roots in their communities and taking a big step toward ensuring the continued growth and success of their businesses. The Certified Development Company Economic Development Loan Program also known as the "SBA 504 loan program" offers most types of small businesses affordable financing for real estate, machinery, and equipment purchases. Certified Development Companies (CDCs) are not for profit economic development organizations that have been certified by the SBA to make. CDCs help regions grow and develop by reducing the cost of capital. The Seaside businesses would work with the Cal Coastal CDC for 504 lending.

State and Federal Programs:
On July 11, 2013, California Governor Edmund G. Brown Jr. signed legislation affecting business incentives in California creating the New Employment Credit (NEC). This incentive is available for each taxable year from 2014 to 2026. A qualified taxpayer that hires a qualified full-time employee, and pays or incurs qualified wages attributable to work performed by the qualified full-time employee in a designated census tract or economic development area (known as designated geographic area or DGA) is eligible to apply. Seaside is not host to a high unemployment DGA.

Also due to the 2013 legislation, a new office, the Governor's Office of Business and Economic Development (GO-Biz), was given authority to administer the California Competes Tax Credit. Applications for the credit are available to businesses that want to locate in California, or stay and grow in California. Credit agreements are negotiated by GO-Biz and are approved by the California Competes Tax Credit Committee. Cities can help local businesses win tax credits by submitting letters of support. A business that receives local support and local incentives has a better chance of successfully receiving the State's tax credit.

In December of 2017, a federal bill, also known as the Tax Cuts and Jobs Act of 2017, was passed creating an incredible tax break for investors through a new program known as Opportunity Zones. Investors will be allowed to defer their capital gain taxes, as well as a permanently excluding taxable income of capital gains from the sale or exchange of an investment in an Opportunity Fund.

Its purpose is to provide tax incentives, as well as temporary tax deferral on capital gains, when investors reinvest these gains in Opportunity Zone funds. In return, this money is used for qualifying census tract communities, also known as Opportunity Zones. These zones are designated near residential tracts where there are at least 30 businesses in order to encourage investment.

Opportunity Fund Investors defer the recognition of these capital gains through December 2026. Accordingly, they permanently avoid taxes on some capital gains when they invest those gains into opportunity funds. Overtime, if these gains are held in opportunity funds after 5 years, then 10% of taxes are deferred. If they are held for 7 years, then 15% of taxes are deferred.

If these gains are kept in opportunity funds for more than 10 years, taxes will essentially be eliminated on any additional capital gains. This bill allowed for the government to pin-point census tract locations that qualify to be Opportunity Zones. Cities can help businesses utilize this incentive by making local small businesses aware of the credit and by connecting them with a community development corporation (CDC) to access investors and capital. Here in Seaside we have two qualifying census tracts, which generally surround upper Broadway. Here is the mapping tool: https://opportunityzones.hud.gov/resources/map

There are several more grants available to businesses looking to invest in California—they are explained in greater detail in the attached GO-Biz sponsored "California Comeback Guide."

Incentive Policy Framework:
All economic development incentives carry some level of risk. These risks include failure to direct scarce public funds to their highest and best use, violation of laws or accidental gift of public funds, and misuse of incentive programs. Policies that guide the use of publicly funded incentives help ensure that incentives are applied consistently with principles and practices designed to mitigate these risks. Economic development projects vary considerably and incentives may need to be evaluated and tailored on a case-by case basis. Staff evaluates economic development programs following elements as recommend by the Government Finance Officers Association best practices:

1. The Goals and Objectives of Economic Development

Goals and measurable objectives create a context and accountability for the use of economic development incentives. Common goals used in economic development include: expansion of tax base, job creation, development of targeted economic sectors, business retention and/or recruitment blight mitigation, improving economically distressed neighborhoods, housing stock creation, and environmental/infrastructure improvements. If the City intends to enter into a disposition and development agreement that includes an incentive, then the agreement should contain the goals and metrics specific to the project.

2. Financial Incentive Tools and Limitations
An economic development incentive program should define the types of incentives the jurisdiction is permitted to use and any limitations on their use (e.g., maximum dollar amounts, time limits, type of project that is eligible). For example, governments may choose to grant an entitlement to any firm that meets minimum qualifications, or may choose to provide incentives based on an assessment of individual firms. The program should identify the funding sources for the incentives and ensure the

use of incentives is not in conflict with the government's established fiscal policies. Governments may also establish maximum funding for a particular program.

3. Evaluation Process

A clearly defined evaluation process should be outlined in an economic development program for the purposes of consistency and transparency. Evaluation activities and factors typically include:

1. How a proposal measures up to the criteria a jurisdiction has established to evaluate proposals. The criteria should align with the jurisdiction's goals and objectives of economic development and guidance on financial incentive tools and their limitations.
2. A comparison of the cost of the incentive against the benefits that the project is expected to produce.
3. An evaluation of the impact on the tax base and revenue. This should include the impact on the tax base and revenue of the jurisdiction offering the incentive, but may also include the impact on other tax jurisdictions, especially where the incentive may have the potential to reduce the tax revenue of another jurisdiction.
4. Analysis of the impact of a project on existing businesses. Projects that simply shift economic activity from one area of the community to another may not represent good investments of public funds.
5. A determination of whether the project would proceed if the incentive were not provided. Local economic development incentives exist to induce private economic activity where it would have not otherwise occurred

4. Performance Standards

An economic development program should require that specific performance standards, that are either quantitative or include an objective assessment that can determine if the standard is met, be established for each project receiving incentives. The program should also outline remedies Seaside would use in the event that specific performance standards are not achieved. Performance standards help a jurisdiction gauge the effectiveness of specific economic development projects. Performance standards also allow jurisdictions to avoid payment of incentives for projects that do not meet the performance standards. If the proper contractual provisions are in place, performance standards could even help jurisdictions to recover the cost the incentive if the financial benefits that the incentive was predicated on do not materialize (e.g., a "clawback" provision).

5. Monitoring and Compliance.

A process should be established for regular monitoring of the economic development agreements adopted by Seaside and the performance of each project receiving incentives per the agreements. The agreement should also identify who in the organization will be responsible for monitoring and compliance, and if multiple departments are involved, the roles and responsibilities of each department. The monitoring process should examine performance standards relative to each economic development agreement and determine whether the goals for each project are achieved within the defined timeframe. The policy should identify when Seaside will receive status updates regarding the jurisdiction's economic development projects and related outcomes per the relevant agreements. Additionally, lessons learned during the monitoring can be used to update the jurisdiction's policies going forward.

ATTACHMENTS

1. C-JOBS Workplan FY22
2. OUTCOMES_ 1-10-22 C-JOBS Retreat

City of Seaside
C-JOBS (Commission on Jobs Opportunities and Businesses in Seaside)

DRAFT Annual Work Plan

FY 2021-2022

Adopted by the Commission ## ##, 2021

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Members Appointed When Adopted:

Joy Anderson – Chair

Allan Groves

Shyam Kamath

David Rodriguez

Gayle Tier

Ron Glover

3 - Vacant

Staff Liaison – Trevin Barber, Assistant to the City Manager and Economic Development Director

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Mission Statement

To provide policy level recommendations on matters related to the development and growth of Seaside's economy for the betterment of working families and the consistent growth of municipal revenues.

Historic Background

In 2016 the City ~~had~~ adopted an ordinance creating an Economic Development Commission. Due to staffing challenges and other concerns, the Commission was never fully functional and was discontinued. As Seaside began offering more citizen involvement in areas of policy development and implementation—the City Council ~~desired to see~~sought more input into the development of our strong regional economy. The Council re-established a commission that focuses on job creation, economic viability of the City, and the health and success of our local businesses on September 05, 2019, ~~aptly~~ named the Commission on Jobs, Opportunities, and Businesses in Seaside.

Responsibilities of C-JOBS

C-JOBS shall provide recommendations to the City Council on policies, programs, and projects, ~~which may~~intended to encourage investment, increase job creation, improve workforce training and other opportunities, or otherwise expand business opportunities in Seaside. Underlying these recommendations is a basic concern to increase revenue to the City in the coming years.

The primary advisory functions are generally divided into four advisory services:
1. economic and business development,
2. business communication,
3. business attraction, and
4. business retention and expansion.

While C-JOBS shall not have purview over land use, zoning or architectural matters under the responsibility of the Planning Commission, Board of Architectural Review, or Zoning Administrator, it may advocate for and recommend economic development projects to the City Council as it shall determine.

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Fiscal Year 2021-2022 Work Plan

1. Economic and Business Development

- Develop 5-Year Economic Development Strategy considering the following:
  - Possible Areas of Focus
    - Ecotourism, eco-recreation and wellness
    - Healthcare and wellness
    - Arts, music and entertainment
    - Small business innovation park
    - Retail, logistics and distribution hub
    - Transportation and mobility
    - Edu-tourism and educational technology
    - Light manufacturing and ICT technology
    - Cyber-security and blockchain
    - Blue ocean technology and research
  - Possible Key Projects
    - Fostering a diverse economy,
    - Maintain and enhance Seaside's fiscal vitality,
    - Strengthen regional destination for arts and entertainment,
    - Enhance quality of life (e.g. affordable housing, high quality public spaces, ,
    - Maintain and enhance Seaside's vibrant downtown core, and
    - Create gateway corridors and development of Broadway and General Jim Moore Avenue as key economic corridors

- Provide Recommendations on COVID-19 Restart and Recovery support for the City of Seaside, such as:
  - Focus on small, URM and women-owned business
  - IIED GetVirtual program
  - Participation in ACI and SICC Expo
  - Targeted finance focus
  -

- Support the development of a Central Coast Public Bank which would provide benefits for economic development, infrastructure needs and affordable housing

- Provide commentary and recommendations following the Seaside East charrette ~~....~~

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- Initiate an Economic Market Analysis and Asset Inventory of the City of Seaside considering the following:
    - The market analysis will provide detailed information in the following categories:
        - Demographic and workforce profile,
        - Employment forecast,
        - Office market information,
        - Emerging industries and trends,
        - Retail market information,
        - Residential market information, and
        - Lodging and hotel information.
    - The asset inventory will provide the status, condition, behavior, knowledge, or skills and resources that the persons, groups, entities in the community possess in the following broad areas:
        - Human Capital
        - Natural Capital
        - Physical/Manufactured Capital
        - Financial Capital
        - Social Capital
        - Institutional/Organization Capital

2. Business Communication

- Re-Launch the business communication newsletter. Implement with multiple languages

- Assign commissioners a liaison role to represent Seaside's interests with some of our local economic development partners, while not interfering with the responsibilities of the Mayor and City Councilors in this respect:

    - Monterey County Convention and Visitors Bureau
    - Monterey County Workforce Investment Board
    - Cal Coastal SBDC
    - California Coastal Rural Development Corporation
    - Monterey Bay Economic Partnership
    - Monterey County Business Council
    - Monterey Peninsula Chamber of Commerce

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    - Central Coast Community Energy
    - Auto Mall Dealerships
    - Downtown Seaside (Broadway Businesses)
    - Community Foundation
    - California State University Monterey Bay
    - Monterey/Santa Cruz Building & Construction Trades Council
    - Monterey Bay Air Resources District
    - Monterey County Water Resources Agency
- ... Regular Participatory Charettes and Town Hall Meetings to Address for Citizen Inputs

- Neighborhood Associations and Regular Inputs for City Staff

3. Business Attraction

- Continue to Support Central Coast Marketing Team's efforts to market Seaside as a business friendly community to attract wealth inducing and traded sector industries

- Support the Economic and Community Planning efforts for the former Fort Ord lands and infill including Campus Town, Seaside East, Main Gate, and West Broadway Urban Village to create new inventory to host new businesses

- Assess the feasibility of a Visitors Bureau satellite office on Broadway Ave and implement if possible

- Assess the feasibility of a remote jobs attraction program and implement if possible

- Identify business clusters to target and support….Identify target industries to attract and support (see possible list above)

- Strengthen presence as a regional destination

- Support new business formation

- Work with CSUMB, MPC, MIIS to develop new startups and statup financing
- ....

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D. Business Retention and Expansion

- Coordinate a Business Visitation Program "Seaside Business Walk" with the Economic Development Department and/or the various local Chambers of Commerce

- Develop annual small business workshop calendar with Cal Costal SBDC, with a focus on teaching, assisting, and coaching local small businesses how to develop owned media, paid media, and earned media

- Coordinate efforts to develop a Seaside Business Association and Seaside Hispanic Business Association that would function as the primary business retention and expansion arms of the City

- ~~Serve as the Approving Board for the Small Business Micro-Loan Program.~~

- Provide advice and recommendations to the Recreation Department on hosting special cultural events to showcase local vendors

- Support and promote the Tri County Apprenticeship Program

- Establish partnership with MBEP for transportation, affordable housing, new business, social business etc.

- Support maker craft businesses…

- Support CSUMB, MPC, Hartnell, MIIS Internship and Mentorship programs

- Provide an adequate supply of commercial space for expanding local businesses within Seaside

- Encourage the development of high-quality small professional office space in a mixed-use setting to facilitate the retention and expansion of small businesses, medical and health services offices, law offices, and similar firms, in the downtown and other areas of Seaside

- Investigate tools to support start-up and expanding businesses, including the options of:

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- a. Establishing a business resource center
- b. Promoting and assisting small business startups with TAMI (technology, advertising, media, and information) businesses
- c. Seeking private and public sponsorship
- d. Aggregating local, state and federal resources to support existing businesses and start-ups.

- ...

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SEASIDE
CALIFORNIA

The Commission on Jobs, Opportunities, and Business in Seaside (C-JOBS)

Strategic Planning Retreat
January 10, 2022

SEASIDE
CALIFORNIA

The Commission on Jobs, Opportunities, and Business in Seaside (C-JOBS)

Our goal is to develop strategic priorities for the next five years and work plan for 2022.

AGENDA

January 10, 2022

1. **Welcome**
2. **Contextual Considerations: Staff Update**
3. **Introductions: Commission Members**
4. **Contextual Considerations: Key Inputs**
5. **SWOT Analysis**
6. **Brief Break (@ 90 Minutes)**
7. **Strategic Priorities**
8. **Work Plan**
9. **Next Steps**

CONTEXTUAL CONSIDERATIONS: STAFF UPDATES

Countywide Comprehensive Economic Development Strategy 2021-2026

Economic Development Goals

1. **Build Econ Dev Capacity**
2. **Build, support, and retain a robust and adaptable workforce**
3. **Address housing shortage, affordability, and barriers to new development**
4. **Foster development of growing established and emerging clusters**
5. **Strengthen small business and entrepreneurship environment**
6. **Expand the regional broadband infrastructure**

Vision

Balancing conservation of the natural environment with the need to adapt to a rapidly changing economic landscape, Monterey County will use civic and institutional assets and provide its businesses, communities, and residents with equitable and sustainable growth, a robust and resilient economic infrastructure, and opportunities to pursue a high quality of life

SEASIDE CALIFORNIA

First Report

2021 - 2022 Goal Setting

a l l o f i t

Reimagine Community Safety / Close Digital Divide / Climate Action Plan Language Inclusivity / Cutino Park Completion / Street & Sidewalk Improvements / Acquire, Activate Santa Barbara & Broadway / Mobile Vendor Ordinance / Commercial Linkage Fee / Post Entitlement Accountability / Business Outreach & Support / Secure & Control Water / Underground Utility District / Teen Center 360 Degree / IT Modernization / Relocate, Terminate RV Parking / Faster Code Enforcement / National Monument Access / Complete General Plan Update / Targeted Low Income Recycling / Campus Town / City, School Collaboration / Succession Planning / Fund 2nd Fire Station / Development Support & City Clerk Staffing / Build More Affordable Housing / Explore 218 Control / Youth Civic Engagement / City Beautification / Street Maintenance / Private Property Upkeep / Explore Shared Fire Services w Marina / Police & Fire Accreditation / Staff Back To Full Strength / Commission Diversity Ordinance / Medical Officer Barracks

City of Seaside Housing Needs Summary

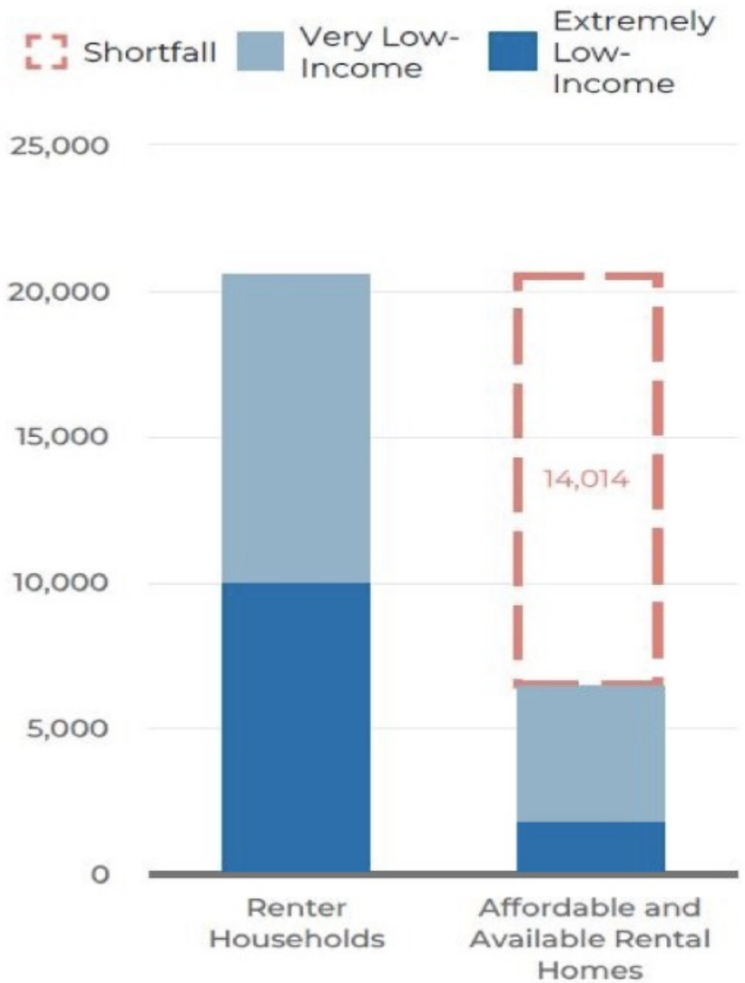
Overview

- Affordable Housing Needs:
  - CA, Monterey County, Seaside
- Approved Housing Projects
- Seaside East & Future of Housing

Ben Nurse, Housing Program Manager

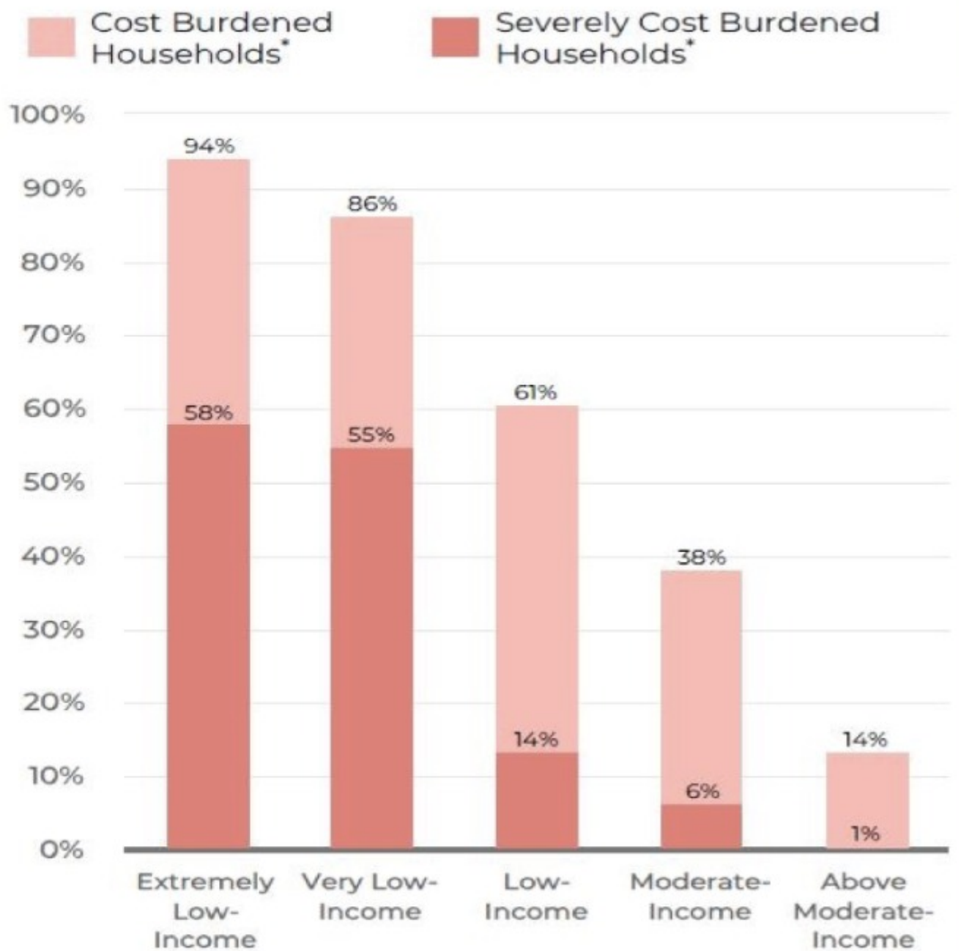
AFFORDABLE HOMES SHORTFALL

14,014 low-income renter households in Monterey County do not have access to an affordable home.



COST BURDENED HOUSEHOLDS

58% of ELI households in Monterey County are paying more than half of their income on housing costs compared to just 6% of moderate-income households.



Source: Monterey County 2020 Affordable Housing Needs Report, May 2020, California Housing Partnership

City-Directed Affordable Housing

Background

- Seaside needs 1,376 Affordable Units by 2031 per RHNA
  - **Solutions**
    1) Support Private-sector construction projects
    2) City can build, rent or sell affordable housing on City-owned property

Levers to Increase Affordable Housing Supply

1. Available public land
2. City's non-profit status (& Seaside Collaborative nonprofit)
3. Infill Opportunities

Seaside Home Buyer Needs (Underserved Customers)

1. Homeless (ex. Veterans, families, women with children)
2. Seaside residents kept out of home ownership for various reasons
3. Seaside City employees who can't afford to live where employed
4. Seniors or physically challenged individuals

3

RHNA = Regional Housing Needs Allocation

Approved Housing Projects

- Campus Town: 1,485 units, 297 affordable
- Ascent Project: 106 units, 16 affordable
- Parker Flats: 40 units, 8 affordable
- Seaside Golf Resort: 256 units, 25 affordable

Seaside East, Vision for the Future of Housing

5

www.ci.seaside.ca.us/705/Housing

Ben Nurse, Housing Program Manager

bnurse@ci.seaside.ca.us

831-899-6772

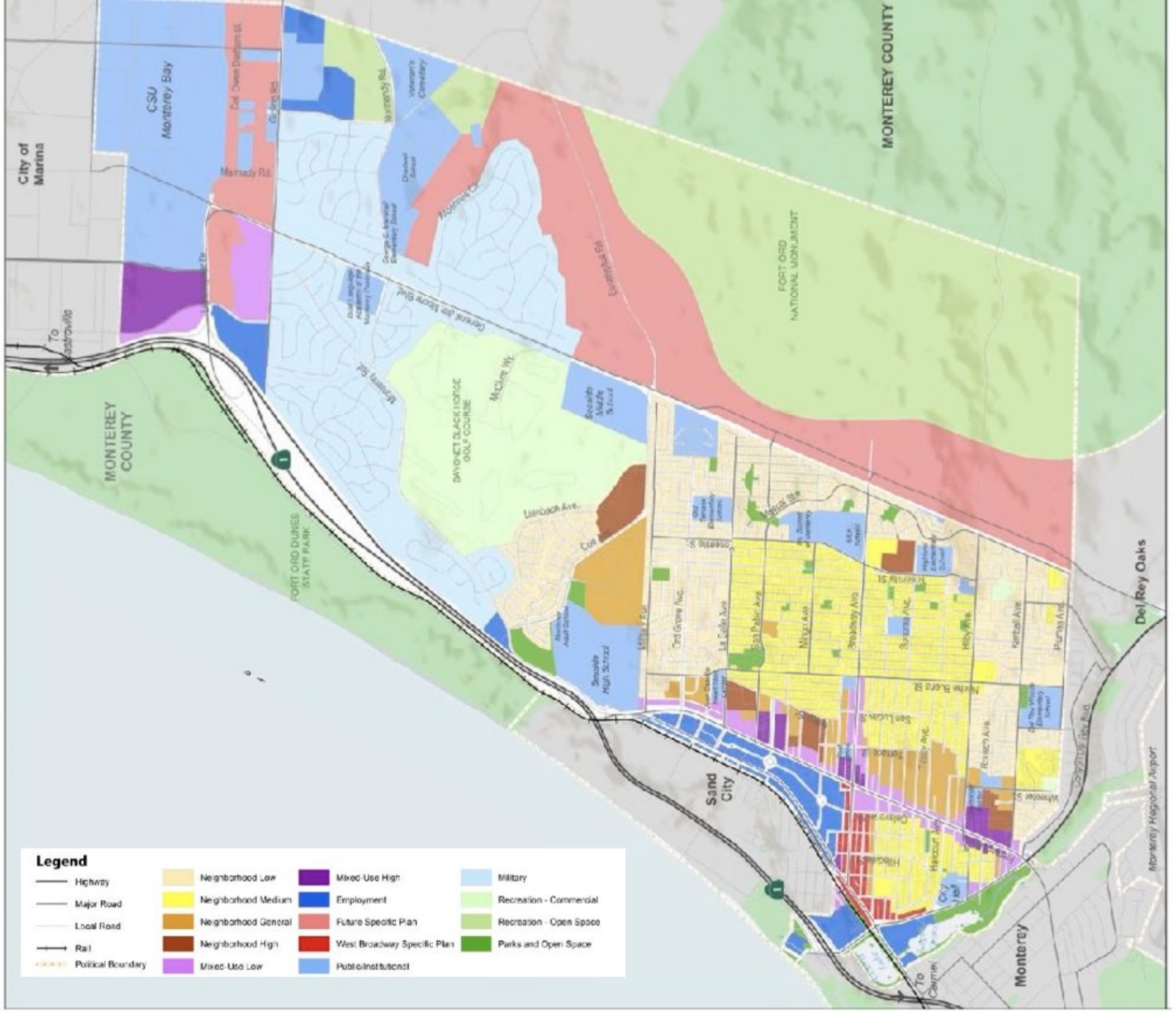
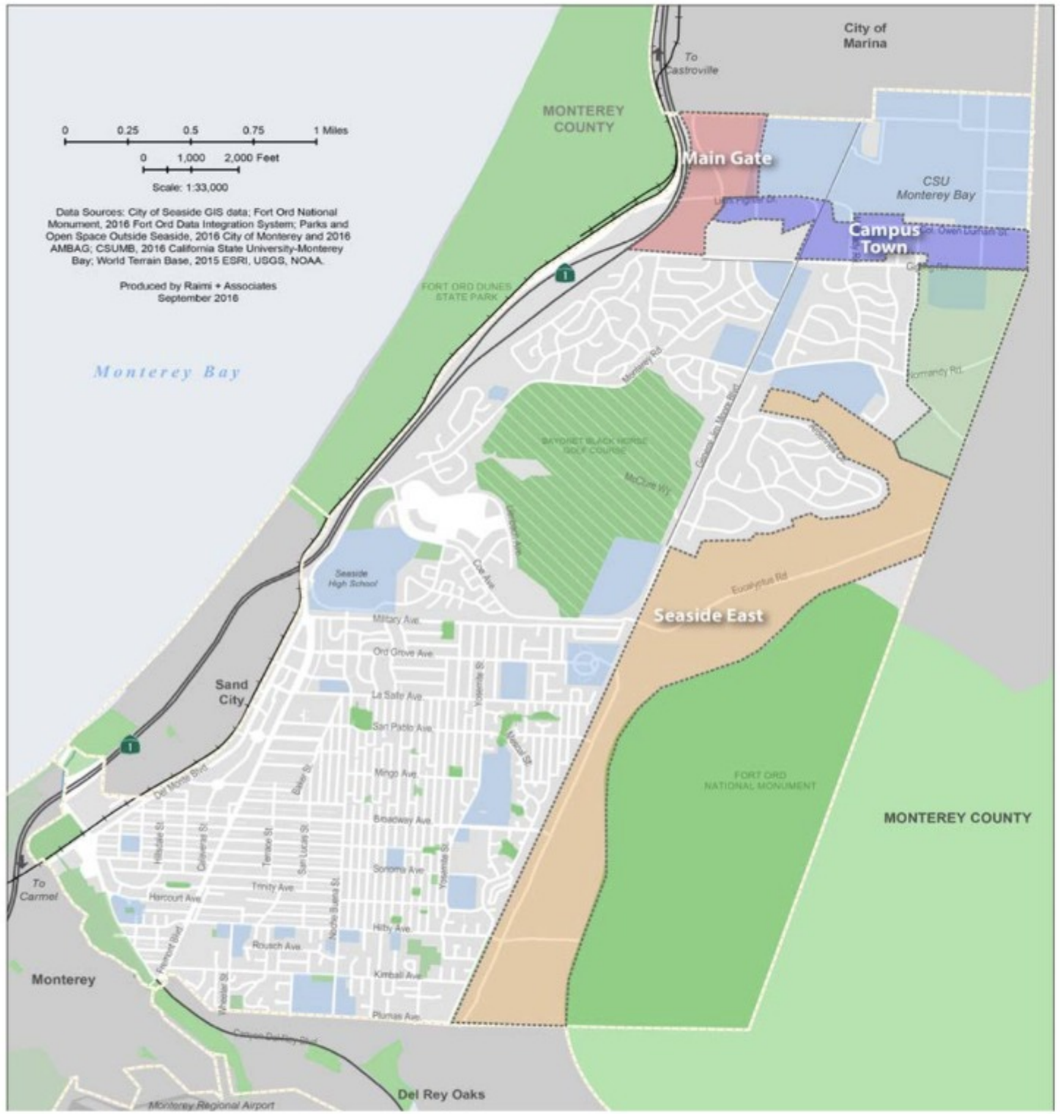

MONTEREY COUNTY
City of Marina
CSU Monterey Bay
Del Rey Oaks
Sand City
Monterey
MONTEREY COUNTY
FORT ORD NATIONAL MONUMENT
FORT ORD DUNES STATE PARK
Legend
Highway
Major Road
Local Road
Rail
Political Boundary
Neighborhood Low
Neighborhood Medium
Neighborhood General
Neighborhood High
Mixed-Use Low
Mixed-Use High
Employment
Future Specific Plan
West Broadway Specific Plan
Public/Institutional
Military
Recreation - Commercial
Recreation - Open Space
Parks and Open Space

Figure 12: Former Fort Ord lands



- LUD-17: Abundant and high-quality natural open space on former Fort Ord lands.
- LUD-18: Design new Seaside neighborhoods on former Fort Ord lands sustainably by linking land use, transportation, and infrastructure development to increase non-automobile travel, protect sensitive habitat, and reduce infrastructure costs.
- LUD-19: Seamlessly connect new growth areas on former Fort Ord lands with the rest of the City.
- LUD-20: New development supports the preservation or enhancement of the City's natural resources.
- LUD-21: Resilient neighborhoods on former Fort Ord lands.
- LUD-22: Balanced, diverse, and sustainable growth

A Dire Need for Well Paying Jobs and Entrepreneurship

Primary Goals:

- Grow jobs to retain and attract multi-generational and young families.
- Provide diverse, well paying jobs.
- Provide business incubation and entrepreneurship opportunities for underserved community members.
- Grow jobs to increase the City's revenues (close the funding gap).
- Connect Monument visitors to Broadway and grow economic opportunity within Seaside.
- Balance jobs and housing in Seaside.

Solutions:

- Provide small-scale workplace and job incubator uses.
- Capitalize on a western gateway to the national monument.
- Foster innovation in partnership with CSUMB.
- Provide jobs training and innovation in 21st Century industries.
- Provide jobs training and workers rights in trades and public sector employment.
- Distribute jobs throughout the site.

A Dire Need for a Model of Sustainable Development in CA

Primary Goals:

- Balance open space preservation with development to gain revenue.
- Ensure new development is environmentally friendly, zero positive, and carbon-sensitive.
- Preserve and celebrate a variety of natural habitats, such as oak woodlands.
- Protect high points and view sheds.
- Create walkable, bikeable, and transit-ready places.

Solutions:

- Preserve rare concentrations of oaks and wildlife corridors.
- Strategically integrate compact housing within a rich natural and walkable environment.
- Preserve the Fort Ord Trails, integrate FORTAG, and be mindful of the view sheds.
- Require, showcase, and educate about sustainable building strategies such as passive house design, construction materials, native landscaping, rain gardens, permeable materials, etc.
- Built compactly to support active transportation and public transit.
- Enhance water infrastructure on site, capture and re-use run-off, and develop net positive.

INTRODUCTIONS

CONTEXTUAL CONSIDERATIONS: KEY INPUTS

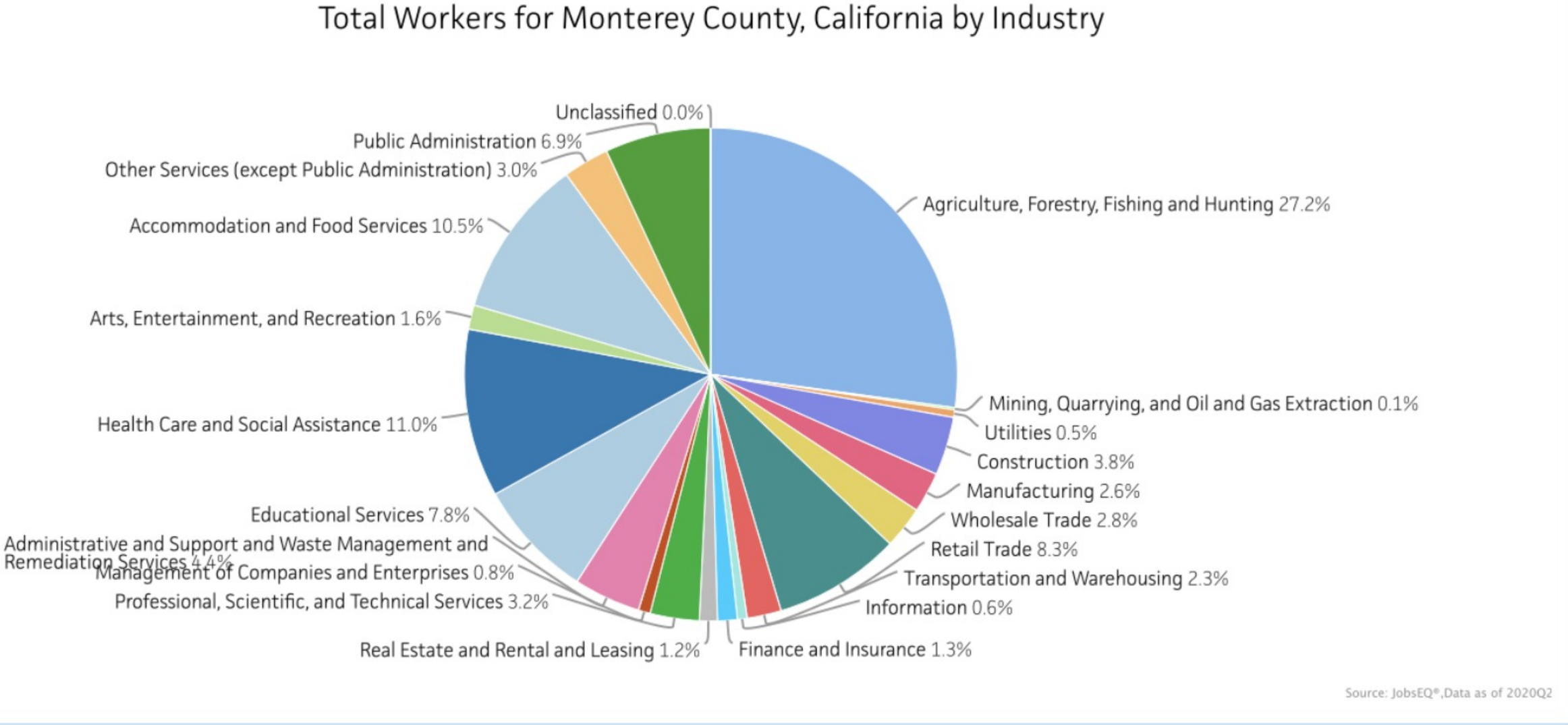
Monterey County Strategic Initiatives

Economic Development Key Objectives

- Create better paying jobs, reduce poverty and increase the revenue base through business expansion while adding to the economic vitality of the County.

Infrastructure Key Objectives

- Improve the conditions of County roads and bridges.
- Promote the use of best environmental practices for County facilities and operations.
- Provide for adequate County facilities and infrastructure.
- Protect water quality and provide for adequate water supply.



Agriculture, Forestry, Fishing and Hunting, (58,514 workers)
Accommodation and Food Services (23,674 workers)
Health Care and Social Assistance (22,402 workers)

SEASIDE CALIFORNIA

CITY OF SEASIDE SNAPSHOT

Vision

Seaside is a vibrant, proudly diverse, energetic and safe community, with extraordinary natural beauty, quality of life and economic opportunities.

MISSION

Include * Innovate * Inspire

Labor Market as of November 2021

Labor Force 17,900 Unemployed 700
Employed 17,200 UE Rate 3.9%

Education

High School Graduate or Higher: 72.6%
Bachelor's Degree or Higher: 22.9%

Demographics

48.4% Caucasian
43.4% Hispanic or Latino
9.7% Asian
8.4% African American
1.6% Pacific Islander
1.1% Native American

Ages

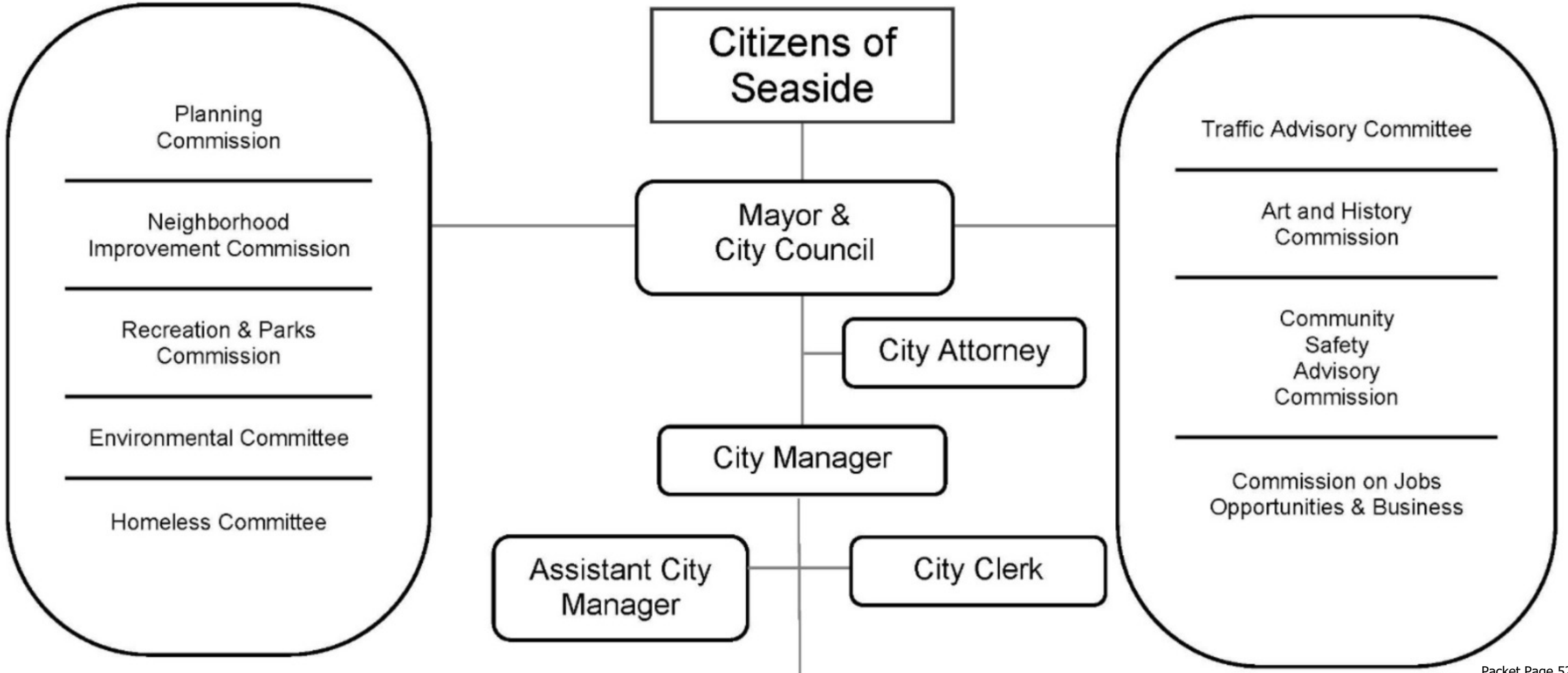
0-14	25.4%
15-64	64.7%
65+	9.9%

Size

Nine Square Miles
34,182 Residents

SEASIDE CALIFORNIA

Organizational Chart



ABOUT THE COMMISSION

C-JOBS shall provide recommendations to the City Council on policies, programs, and projects, which may encourage investment, increase job creation, improve workforce training and other opportunities, or otherwise expand business opportunities in Seaside. The primary advisory functions are generally divided into four advisory services:

1. Economic and Business Development,
2. Business Communication,
3. Business Attraction, and
4. Business Retention and Expansion.

SEASIDE CALIFORNIA

SWOT ANALYSIS

SWOT ANALYSIS

STRENGTHS
BUILD

OPPORTUNITIES
INVEST

WEAKNESSES
SHORE UP

THREATS
MONITOR

INTERNAL

Operations
Resources

Budget/Funding
Staff

?

EXTERNAL

Mega Trends
Local Factors
Resources

Political/Regulatory
Economic
Social
Technological
Environmental
Global

?

STRENGTHS

Diversity

Diverse workforce with [illegible]ung service skillset

Demographics

University and community college

University gives workforce advantage

University programs oriented toward business needs

Location and environmental assets--largest Ft Ord

Proximity to marine, health care, and other research assets

Attractive to small business and entrepreneuship

Pool of entrepreneurs--Hispanic focus

Openness to change

City has more financial strength with healthy reserves

Offer grants and other funding opps to businesses

WEAKNESSES

Weak marketing

Impression city is unsafe (around auto mall)

Lack of diversified industries and services with resulting tax base being small

Lack of cluster (like high tech, health care)

Clumsy redevelopment process

Not highly skilled workforce

SEASIDE CALIFORNIA

BREAK

POTENTIAL FUNDING SOURCES

-City of Seaside 2021-2022 Capital Improvement Program (CIP)

-U.S. Economic Development Administration American Rescue Plan Programs

-2021 Federal Infrastructure Bill

-Foundations

-Corporations

-Philanthropists

-Mixed Sources

SEASIDE CALIFORNIA

OPPORTUNITIES

Opp presented by COVID with workforce freedom of location

Gen Y and Z focus on environment and nature (green businesses)

Funding opportunities

Special redev funding advantage due to prior dev--opp zone [brownfield]

Greenfield development opp (Seaside East)

Regional health needs to be met with new techs and services (eco-recreation, tourism, etc.)

Attract service businesses around DART, robotics tech, JOBY, etc.

Work with auto mall to move into electric vehicles and modernize retail and edl opps

Main entrance of National Monument dev opp (County controlled and BLM managed)

Regional marine focus and ed'l resources and institutes

Ed'l/visitor opp (welcome ctr) around Ft. Ord's history

THREATS

Time sensitive nature of some opps

Speed of reactions

Regional competition--other cities

Water

Opp by special interest groups

Language barriers (to communicate with stakeholder groups)

Inflation/cost of living

SEASIDE CALIFORNIA

STRATEGIC PRIORITIES

COMMISSION CHARGE

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CITY VISION AND MISSION

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Include * Innovate * Inspire

SEASIDE CALIFORNIA

City of Seaside
C-JOBS (Commission on Jobs Opportunities and Businesses in Seaside)

DRAFT Annual Work Plan

FY 2021-2022

Adopted by the Commission
##, 2021

FROM C-JOBS DRAFT ANNUAL WORK PLAN 2021-22

Economic and Business Development

5 Year Economic Development Strategy
Possible Areas of Focus/Strategic Priorities

-Ecotourism, eco-recreation and wellness
-Healthcare and wellness
-Arts, music and entertainment
-Small business innovation park
-Retail, logistics and distribution hub
-Transportation and mobility
-Edu-tourism and educational technology
-Light manufacturing and ICT technology
-Cyber-security and blockchain
-Blue ocean technology and research

IS IT STRATEGIC?

___Does it contribute to creating the future?
___Is it about a shifting stakeholder need?
___Does it amp up a competitive advantage?
___Is it in an emerging growth area?
___Is inaction on the topic risky?

SEASIDE CALIFORNIA

HIGH VALUE

LOW EFFORT

HIGH EFFORT

LOW VALUE

DO IT Nearer Term

Small business innovation park

DO IT NEXT

Arts, music, sports, entertainment (performance center)

Manufacturing and services in transportation and mobility

Light manufacturing and ICT technology

Cyber-security and blockchain

Ecotourism, eco-recreation and wellness

Healthcare and wellness

DO IT IF/WHEN THERE'S TIME

EDU-tourism and educational technology

DON'T DO IT

Blue ocean technology and research

Retail, logistics and distribution hub

NEXT STEPS

THANK YOU!

SEASIDE CALIFORNIA